

Support HB 23-1020

Social Equity Licenses in Regulated Marijuana

After over a decade of legalization opportunities for success are slim for Social Equity applicants¹. This is due to:

- Heavy regulations creating steep financial barriers
- Well financed lobbying efforts from established businesses
- Isolation from the market for 7 years

HB 23-1020 seeks to balance those challenges and create a more equitable market.

Delivery is the most opportune business license for Social Equity applicants in Colorado. However, the current model is fundamentally flawed and unprofitable. Social Equity operators are required to contract with entrenched businesses who have no incentive to help these operators succeed as they see little financial benefit. Social Equity operators cannot obtain contracts because established business view any new licensee as competition and an impediment².

HB 1020 allows for a flexible but conservative delivery model that will allow Social Equity businesses to thrive and continues to let existing dispensaries operate in a competitive and balanced manner. *The bill maintains local control and does not accelerate the expansion of the marijuana industry*

Without these necessary changes Colorado's Social Equity program is at risk of failing resulting in dozens of Social Equity operators closing their business permanently.

UPON LEGISLATIVE ENACTMENT HB 23-1020 WILL:

- Provide equitable opportunities for success for Social Equity Businesses
- Unchain Social Equity transporters from forced contracts with dispensaries
- Allow for Social Equity Delivery companies to control their own business and explore more business growth opportunities
- Provide more collaborative and profitable partnerships with Social Equity businesses and the established industry
- Create an independent delivery license for a conservative number of operators
- Maintain existing parameters around sales and product safety mandates required of delivery companies
- Offer more fair competition and access to the market for dispensaries and wholesalers
- Provide incentives for existing cannabis businesses to foster and mentor new Social Equity licensees
- Grant MED rulemaking authority to enact regulation to ensure strengthen public safety parameters around delivery
- Close loopholes around qualifications for Social Equity applicants
- Provide needed transparency and an equity lens grants and loans distributed from the Social Equity fund under OEDIT
- Compel MED to report on the growth of Social Equity businesses so Colorado can continue to build a strong program

¹<https://coloradosun.com/2022/03/01/denver-wants-to-open-the-marijuana-industry-to-those-most-impacted-by-the-drug-war-some-say-it-came-too-late/>

²<https://denverite.com/2022/09/19/denvers-trying-to-make-cannabis-delivery-a-more-attractive-business-and-exclusive-to-social-equity-licensees/>